

# Notice of Allowability

Application No.

09/931,404

Examiner

Dan Kesack

Applicant(s)

BURNS ET AL.

Art Unit

3691

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to Response to Election/Restriction filed May 9, 2007.
2. ☒ The allowed claim(s) is/are 1, 3-8 and 13.
3. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
  - a) ☐ All b) ☐ Some\* c) ☐ None of the:
    1. ☐ Certified copies of the priority documents have been received.
    2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
    3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\* Certified copies not received: \_\_\_\_\_.

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application.

**THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.**

4. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
  5. ☐ CORRECTED DRAWINGS (as "replacement sheets") must be submitted.
    - (a) ☐ including changes required by the Notice of Draftsperson's Patent Drawing Review (PTO-948) attached
      - 1) ☐ hereto or 2) ☐ to Paper No./Mail Date \_\_\_\_\_.
    - (b) ☐ including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date \_\_\_\_\_.
- Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).
6. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

## Attachment(s)

- |  |   |
|--|---|
| 1. <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                | 5. <input type="checkbox"/> Notice of Informal Patent Application                     |
| 2. <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 6. <input type="checkbox"/> Interview Summary (PTO-413),<br>Paper No./Mail Date _____ |
| 3. <input type="checkbox"/> Information Disclosure Statements (PTO/SB/08),<br>Paper No./Mail Date _____    | 7. <input type="checkbox"/> Examiner's Amendment/Comment                              |
| 4. <input type="checkbox"/> Examiner's Comment Regarding Requirement for Deposit<br>of Biological Material | 8. <input checked="" type="checkbox"/> Examiner's Statement of Reasons for Allowance  |
|  | 9. <input type="checkbox"/> Other _____   |

## **DETAILED ACTION**

### ***Status of Claims***

1. Claims 1, 3-8, 13 are currently pending.

### ***Election/Restrictions***

2. Claims 9-12 and 14 are withdrawn from further consideration pursuant to 37 CFR 1.142(b), as being drawn to a nonelected invention, there being no allowable generic or linking claim. Applicant timely traversed the restriction (election) requirement in the reply filed on May 9, 2007.

3. Applicant's election with traverse of claims 1, 3-8, and 13 in the reply filed on May 9, 2007 is acknowledged. The traversal is on the grounds that the search and prosecution of all the claims does not place a serious burden on the examiner. This is not found persuasive because some of the allowable features of claims 1, 3-8, and 13 are not present in the withdrawn claims. Searching the additional features of claims 9-12 and 14 would constitute a serious burden because the divergent subject matter which would need to be searched. While the two inventions may have a common concept (CMPI mortgage futures contracts), Examiner is of the opinion that searching the concept within the claimed environments requires different search strategies.

The requirement is still deemed proper and is therefore made FINAL.

***Allowable Subject Matter***

4. Claims 1, 3-8, and 13 are allowed.

5. The following is a statement of reasons for the indication of allowable subject matter: The closest prior art of reference, the Frankel reference, describes measuring the present value of the underlying securities interest and principle cash flows under varying circumstances. Frankel teaches structured securities which are backed by mortgage principle and interest payments. Frankel fails to teach identifying a total mortgage backed security production from a plurality of agencies during a time period, and eliminating coupons which do not represent more than a pre-determined level of total mortgage back security production during the time period. Furthermore, Frankel fails to teach or suggest calculating a par-adjusted average coupon price for a set of mortgage back security coupons, as in claims 1 and 13 of the current invention.

6. The article "The Failure Of The Mortgage-Backed Futures Contract," by Nothaft, Lekkas, and Wang (hereinafter *Nothaft*), has been included for it's teaching of a method of structuring mortgage backed futures contracts. Nothaft teaches futures contracts which are settled in cash, wherein the settlement is based on the median price for a specific coupon which was determined from a random selection dealer quotes on the last trading day of the month. Nothaft fails to teach identifying a total mortgage backed security production from a plurality of agencies during a time period, and eliminating

coupons which do not represent more than a pre-determined level of total mortgage back security production during the time period, as well as calculating a par-adjusted average coupon price for a set of mortgage back security coupons.

7. No prior art of record teaches the missing claim limitations cited above.

Furthermore, no prior art of record may be reasonably combined with any other reference to teach each and every claim limitation.

8. Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Dan Kesack whose telephone number is 571-272-5882. The examiner can normally be reached on M-F, 9:00am-5:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on 571-272-6771. The fax phone

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number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Respectfully Submitted,  
Dan Kesack  
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August 20, 2007

A handwritten signature in black ink, appearing to read 'H. M. Kazimi', with a long horizontal stroke extending to the right.

HANI M. KAZIMI  
PRIMARY EXAMINER